



Tishman Construction Corporation of New York
New York, NY 10103-0256

Binder
9/9/2005 - 3/9/2007

Submitted to

Robert Blanda
Marsh USA, Inc.
1166 Avenue of the Americas
New York, NY 10036-2774

Submitted by

Anthony Dietz
Arch Construction Insurance Group
245 Park Avenue, 32nd Fl
New York, NY 10017

9/16/2005

Financial Summary

Tishman Construction Corporation of New York ; (9/9/05 - 3/9/07)

LOSS SENSITIVE

Premium & Rates					
	<u>Fixed Cost Premium</u>	<u>Exposure</u>	<u>Expos Type</u>	<u>Fixed Cost Rate</u>	<u>Per</u>
Deductible Work Comp	1,350,000	25,356,649	WC Payroll	5.3241	Per 100
Deductible General Liability	750,000	25,356,649	WC Payroll	2.9578	Per 100
TOTAL	2,100,000				
Retained Loss Amounts					
	<u>Rate</u>				<u>Amount</u>
Deductible Work Comp - per occurrence retained loss amount including allocated expense					250,000
General Liability - per occurrence retained loss amount including allocated expense					500,000
Maximum loss & ALAE amount (Per 100 of WC Payroll, based on 25,356,649 estimated)					
Applies to: Work Comp, General Liability	11.4368				2,900,000
Program will be audited based on:					
				Rate per indicated exposure base	
Letter of Credit					1,800,000
Initial Cash Escrow					200,000
Loss Conversion Factor:					
	WC				1.080
	GL				1.080
Loss Based Assessments:					
LBA Load on New York WC Retained Indemnity Loss				42.8%	

OTHER PROGRAM DETAILS

Payment Plan:

Due Date	Fixed Cost Premium	Surcharges*, TRIA Premium & Expense Constant		Total
09/09/05	350,000	61,573		811,573
12/09/05	350,000	52,640		802,640
03/09/06	350,000	52,640		702,640
06/09/06	350,000	52,640		702,640
09/09/06	350,000	52,640		702,640
12/09/06	350,000	52,640		702,640
03/09/07	0	0		0
06/09/07	0	0		0
09/09/07	0	0	0	0
12/09/07	0	0	0	0
03/09/08	0	0	0	0
06/09/08	0	0	0	0
Total	2,100,000	200,000	1,800,000	4,424,773

* These surcharges are estimated and may change at policy issuance.

Commissions (included in fixed costs above):

Commission Adjusted Based on:			
	\$	%	of
Work Comp	0	0.0%	% of Fixed Cost Premium
General Liability	0	0.0%	% of Fixed Cost Premium
Total	0		

Comments

See Sample Loss Sensitive Program Agreement attached for more details about how the plan will operate. The actual LSPA will be sent after the binder. The signed LSPA is due 30 days after receipt.

GL Policy Limits: 2/4/4 Million

The above premium deposit estimate is subject to an 85% minimum. Cash Escrow Deposit for Paid Loss Plan: \$100,000 at inception, plus \$100,000 at second installment. Gallagher Bassett will bill these Cash Escrow items directly to insured.

DTEC Premium: \$0. TRIA Premium: Work Comp \$8,751, General Liab. \$22,500.

PAYMENT TERMS: Premium, Surcharges and Collateral are due in 6 Equal Quarterly Installments. LOC structured as an Automatic Step Step. LBA is estimated and passed-through as referenced above on Limited Loss within Aggregate.

Payment Plan

LOB: WC					
Due Date	Fixed Cost Premium	Cash Collateral	Clim Serv Fees	Surcharges *, TRIA Premium & Expense Constant	Total
Code as:	Premium	Other Income			
09/09/05	225,000	0	0	57,823	282,823
12/09/05	225,000	0	0	48,890	273,890
03/09/06	225,000	0	0	48,890	273,890
06/09/06	225,000	0	0	48,890	273,890
09/09/06	225,000	0	0	48,890	273,890
12/09/06	225,000	0	0	48,890	273,890
03/09/07	0	0	0	0	0
06/09/07	0	0	0	0	0
09/09/07	0	0	0	0	0
12/09/07	0	0	0	0	0
03/09/08	0	0	0	0	0
06/09/08	0	0	0	0	0
Total	1,350,000	0	0	302,273	1,652,273
LOB: GL					
Due Date	Fixed Cost Premium	Cash Collateral	Clim Serv Fees	Surcharges *, Assessments & TRIA Premium	Total
Code as:	Premium	Other Income			
09/09/05	125,000	0	0	3,750	128,750
12/09/05	125,000	0	0	3,750	128,750
03/09/06	125,000	0	0	3,750	128,750
06/09/06	125,000	0	0	3,750	128,750
09/09/06	125,000	0	0	3,750	128,750
12/09/06	125,000	0	0	3,750	128,750
03/09/07	0	0	0	0	0
06/09/07	0	0	0	0	0
09/09/07	0	0	0	0	0
12/09/07	0	0	0	0	0
03/09/08	0	0	0	0	0
06/09/08	0	0	0	0	0
Total	750,000	0	0	22,500	772,500
LOB: Total					
Due Date	Fixed Cost Premium	Cash Collateral	Clim Serv Fees	Surcharges * & TRIA Premium	Total
Code as:	Premium	Other Income			
09/09/05	350,000	300,000	100,000	61,573	811,573
12/09/05	350,000	300,000	100,000	52,640	802,640
03/09/06	350,000	300,000	0	52,640	702,640
06/09/06	350,000	300,000	0	52,640	702,640
09/09/06	350,000	300,000	0	52,640	702,640
12/09/06	350,000	300,000	0	52,640	702,640
03/09/07	0	0	0	0	0
06/09/07	0	0	0	0	0
09/09/07	0	0	0	0	0
12/09/07	0	0	0	0	0
03/09/08	0	0	0	0	0
06/09/08	0	0	0	0	0
Total	2,100,000	1,800,000	200,000	324,773	4,424,773

Workers' Compensation and Employer's Liability Coverage

Issuing Company: Arch Insurance Co.
 Policy Number: 11WC12036700 Master: 11WC12036800 - 2056700 Subcontractors
 Effective Date: 9/9/2005
 Insured Name: Tishman Construction Corporation of New York

ITEM NUMBER	INFORMATION PAGE and LOCATION SCHEDULE	COMMENTS
3. A.	WORKERS' COMPENSATION - STATES OF INSURANCE	NY
3. B.	EMPLOYER'S LIABILITY - LIMITS OF INSURANCE	
	Bodily Injury by Accident - Each Accident	\$1,000,000
	Bodily Injury by Disease - Policy Limit	\$1,000,000
	Bodily Injury by Disease - Each Employee	\$1,000,000
3. C.	OTHER STATES INSURANCE	All, except Monopolistic States
LOCATION SCHEDULE	PLEASE PROVIDE FOLLOWING:	
	Listing of Employer: Tishman Construction Corporation of New York, and Various Enrolled Subcontractors	
	Listing of Project Site: Empire City Casino at Yonkers Raceway	
	Total Number of Employees: 500 employees at peak construction	
DEDUCTIBLE(S)	BODILY INJURY BY ACCIDENT - EACH ACCIDENT (including ALAE)	\$260,000
	BODILY INJURY BY DISEASE - EACH CLAIM (including ALAE)	\$250,000

FORM NUMBER	GCIP Master WC Policy Terms Only Subcontractor Policies may differ slightly as issued
	GENERAL FORMS
Arch Spectel	ARCH COVER PAGE
INSTALL-FORM	INSTALLMENT SCHEDULE
LOCATION2	SCHEDULE OF NAMES AND LOCATIONS
WC 00 00 01 A	WORKERS' COMPENSATION INFORMATION PAGE
WC 00 00 01 A	WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY POLICY
WC 89 04 15	WORKERS' COMPENSATION CLASSIFICATION SCHEDULE
WC 89 06 01	SCHEDULE OF NAMED INSURED(S)
00 WC 004 00 11 03	EARLIER NOTICE OF CANCELLATION PROVIDED BY US ENDORSEMENT (90 Days; 10 Days Nonpayment; 30 Days Noncompliance)
Various	STATE MANDATED FORMS - (New York - As Required)
	DEDUCTIBLE ENDORSEMENT (Or State Specific Version)
00 WC 0001 00 12 02	WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY DEDUCTIBLE ENDORSEMENT
	COVERAGE MODIFICATIONS
WC 00 01 06A	LONGSHORE AND HARBOR WORKERS COMPENSATION ACT COVERAGE ENDORSEMENT (If any)
WC 00 03 01A	ALTERNATE EMPLOYER ENDORSEMENT ("Any person or organization where required by written contract." Contract or Project: "Tishman Construction Corporation of New York - Empire City Casino at Yonkers Raceway Project, under Tishman Project Number C-0199.")
WC 00 03 02	DESIGNATED WORKPLACES EXCLUSION ENDORSEMENT (Operations Excluded: "All operations, except operations by enrolled participants at the Empire City Casino at Yonkers Raceway Project, Tishman Project Number C0199, located at 810 Central Avenue, Yonkers, NY 10704; and as further defined by the Site Plan Map on file with the Company.")
WC 00 03 11A	VOLUNTARY COMPENSATION AND EMPLOYERS LIABILITY COVERAGE ENDORSEMENT (Designated WC Law: "State of Hire.")
WC 00 313	WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT ("Any person or organization for whom the Named Insured has agreed by written contract to furnish this waiver.")
WC 00 04 14	NOTICE OF CHANGE IN OWNERSHIP ENDORSEMENT
WC 00 04 19	PREMIUM DUE DATE ENDORSEMENT
WC 00 04 20	TERRORISM RISK INSURANCE ACT ENDORSEMENT

MANUSCRIPT ENDORSEMENTS (MASTER POLICY ONLY)

Arch Manuscript

ASSIGNMENT CONSENT ENDORSEMENT (Per Arch Language)

Arch Manuscript

ADDITIONAL DEFINITIONS ENDORSEMENT (As Needed and as mutually agreeable: Applicable to Off-site locations for staging, project management, or other incidental operations require prior approval by carrier.)

Arch Manuscript

KNOWLEDGE OF OCCURRENCE ENDORSEMENT (Name: "Robert Joyce, Tishman Risk Manager or Tishman Project Executive.")

Arch Manuscript

NAMED INSURED ENDORSEMENT (Individual Enrolled Contractor Policies - Per each Separately Insured Entity)

Arch Manuscript

UNINTENTIONAL ERRORS AND OMISSIONS ENDORSEMENT (Per Arch language)

Commercial General Liability Coverage

Issuing Company: Arch Insurance Co.
 Policy Number: 11GPP2055800
 Effective Date: 9/9/2005
 Insured Name: Tishman Construction Corporation of New York

ITEM NUMBER	DECLARATIONS PAGE AND LIMITS OF INSURANCE	COMMENTS
COVERAGE A	BODILY INJURY AND PROPERTY DAMAGE LIABILITY Any One Occurrence subject to the Products / Completed Operations Aggregate and General Aggregate Limits of Liability DAMAGE TO PREMISES RENTED TO YOU Any One Premises subject to the Coverage A Occurrence and the General Aggregate Limits of Liability	\$2,000,000 \$1,000,000
COVERAGE B	PERSONAL AND ADVERTISING INJURY LIABILITY Any One Person or Organization subject to the General Aggregate Limits of Liability	\$2,000,000
COVERAGE C	MEDICAL PAYMENTS Any One Person subject to the Coverage A Occurrence and the General Aggregate Limits of Liability	\$10,000
COVERAGE	AGGREGATE LIMITS OF LIABILITY Products / Completed Operations Aggregate General Aggregate (other than Products / Completed Operations)	\$4,000,000 \$4,000,000
DEDUCTIBLE(S)	OTHER THAN PRODUCTS AND COMPLETED OPERATIONS - Per Occurrence PRODUCTS AND COMPLETED OPERATIONS - Per Occurrence	\$500,000 \$500,000

FORM NUMBER	FORM TITLE (Note: State Specific Forms may override the General Forms listed below)
GENERAL FORMS	
FAIC-SKLBUS-CPD	COMMON POLICY DECLARATIONS
05 ML0002 00 11 02	SIGNATURE PAGE
FAIC-SKLBUS-FE	SCHEDULE OF FORMS AND ENDORSEMENTS
FAIC-SKLBUS-SNI	SCHEDULE OF NAMED INSURED(S)
FAIC-SKLBUS-SL	SCHEDULE OF LOCATIONS
INSTALL-FORM	INSTALLMENT SCHEDULE
IL 00 17 11 98	COMMON POLICY CONDITIONS
MANDATORY FORMS	
IL 00 23 04 98	NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)
IL 02 08 02 05	NEW YORK CHANGES - CANCELLATION AND NONRENEWAL
CG 01 04 12 01	NEW YORK CHANGES - PREMIUM AUDIT
CG 01 03 09 99	NEW YORK CHANGES COMMERCIAL GENERAL LIABILITY COVERAGE FORM (As required)
CG 26 21 10 91	NEW YORK CHANGES - TRANSFER OF DUTIES WHEN A LIMIT OF INSURANCE IS USED UP
IL 00 03 07 02	CALCULATION OF PREMIUM
IL 09 05 01 03	DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT OF 2002
00 ML0027 00 01 05	TERRORISM COVERAGE DISCLOSURE NOTICE - Terrorism Coverage Provided Under This Policy
ELECTIVE FORMS	
00 ML 0020 00 11 03	KNOWLEDGE OF OCCURRENCE ENDORSEMENT (Name: "Robert Joyce, Tishman Risk Management or Tishman Project Executive,")
00 ML 0021 00 11 03	UNINTENTIONAL ERRORS AND OMISSIONS ENDORSEMENT
00 ML 0039 00 04 04	PREMIUM COMPUTATION ENDORSEMENT

FAIC-SKLBUS-E

NAMED INSURED ENDORSEMENT It is hereby agreed that Item 1. of the Declarations is amended to include the following entities as a Named Insured:

1. The Named Insured is hereby amended to include:
 - a. Tishman Construction Corporation of New York (as sponsor),
 - b. YRL Associates L.P.,
 - c. Rooney Associates,
 - d. Yonkers Racing Corporation,
 - e. City of Yonkers Industrial Development Agency, and
2. All contractors, all tiers of contractors, each separate contractor of sponsor, or others to whom sponsor contracts to furnish insurance under the Contractor Controlled Insurance Program for this project.
3. Excluding vendors, suppliers, material dealers, truckers, haulers and others who transport, pick-up, deliver or carry materials, personnel, parts or equipment or any other items or persons to or from the project site.
4. Any other entities not accepted into the Contractor Controlled Insurance Program for this Project.

FAIC-SKLBUS-E

ASSIGNMENT CONSENT ENDORSEMENT (Per Arch Language)

FAIC-SKLBUS-E

ADDITIONAL DEFINITIONS ENDORSEMENT (As Needed and as mutually agreeable: Applicable to Off-site locations for staging, project management, or other incidental operations require prior approval by carrier.)

FAIC-SKLBUS-E

CANCELLATION PROVISION ENDORSEMENT (90 days; 10 Days Nonpayment; 30 Days Noncompliance)
COVERAGE FORMS AND MODIFICATIONS

FAIC-SKLBUS-CGLDE

COMMERCIAL GENERAL LIABILITY COVERAGE SUPPLEMENTAL DECLARATIONS

CG 00 01 12 04

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

CG 00 67 03 05

EXCLUSION - VIOLATION OF STATUTES THAT GOVERN E-MAILS, FAX, PHONE CALLS OR OTHER METHODS OF SENDING MATERIAL OR INFORMATION

CG 21 44 07 98

LIMITATION OF COVERAGE TO DESIGNATED PREMISES OR PROJECTS (Designated Project: "The Empire City Casino at Yonkers Raceway, Tishman Project Number C-0199, located at 810 Central Avenue, Yonkers, New York, 10704; as further defined by the Site Plan Map on file with the Company.")

CG 24 04 10 93

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US ("Any person or organization for whom the Named Insured has agreed by written contract to furnish this waiver.")

00 ML 0022 00 11 03

ADDITIONAL INSURED - AUTOMATIC STATUS WHEN REQUIRED IN CONSTRUCTION AGREEMENT WITH YOU - COMPLETED OPERATIONS - PRIMARY AND NON-CONTRIBUTORY ENDORSEMENT - DESIGNATED LOCATIONS
 (Location(s): The Empire City Casino at Yonkers Raceway Project, Tishman Project Number C-0199, located at 810 Central Avenue, Yonkers, New York, 10704; and applicable for accepted contractors only under the Contractor Controlled Insurance Program for this project.)

00 GL 0035 00 09 03

FELLOW EMPLOYEE ENDORSEMENT - SUPERVISOR AND ABOVE

00 GL 00 42 00 09 03

NON-OWNED WATERCRAFT ENDORSEMENT (75 foot limitation)

00 ML0207 00 10 03

PRODUCTS-COMPLETED OPERATIONS HAZARD EXTENSION PERIOD ENDORSEMENT (Extension Period: "For 60 months, from April 1, 2007 to April 1, 2012.")

DEDUCTIBLE FORM (Or State Specific Form)

00CGL0031 00 11 02

DEDUCTIBLE LIABILITY COVERAGE (Allocated Loss Adjustment Expenses Within Deductible Paid by You)

EXCLUSIONS

CG 00 62 12 02

WAR LIABILITY EXCLUSION

CG 21 47 07 98

EMPLOYMENT- RELATED PRACTICES EXCLUSION

CG 21 53 01 98

DESIGNATED ONGOING OPERATIONS EXCLUSION (Description of Operations: "All operations of the Project Owner, with exception to their capacity as Project Owner, Named Insured, or Additional Insured as respects construction operations insured by this policy." Specified Location: "The Empire City Casino at Yonkers Raceway, Tishman Project Number C-0199.")

CG 21 67 04 02

FUNGI OR BACTERIA EXCLUSION

CG 21 65 09 99

TOTAL POLLUTION EXCLUSION WITH A BUILDING HEATING EQUIPMENT EXCEPTION AND A HOSTILE FIRE EXCEPTION

CG 21 70 11 02

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM (Or State Specific - Accepted)

CG 21 89 05 04

CONDITIONAL LIMITATION OF COVERAGE FOR TERRORISM ON AN ANNUAL AGGREGATE BASIS (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT OF 2002) (As Applicable)

CG 21 96 03 05

SILICA OR SILICA RELATED DUST EXCLUSION

CG 22 74 10 01

LIMITED CONTRACTUAL LIABILITY COVERAGE FOR PERSONAL AND ADVERTISING INJURY ("Any person or organization for whom the Named Insured has agreed by written contract to assume such liability.")

CG 22 79 07 98

EXCLUSION - CONTRACTORS - PROFESSIONAL LIABILITY (means and methods exception)

00 GL 0045 00 12 03

ASBESTOS EXCLUSION

00 GL 0173 00 04 04

LEAD CONTAMINATION EXCLUSION

TERRORISM COVERAGE DISCLOSURE NOTICE

TERRORISM COVERAGE PROVIDED UNDER THIS POLICY

The Terrorism Risk Insurance Act of 2002 established a program within the Department of the Treasury, under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks. The Act applies when the Secretary of the Treasury certifies that an event meets the definition of an act of terrorism. The Act provides that, to be certified, an act of terrorism must cause losses of at least five million dollars and must have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest to coerce the government or population of the United States.

In accordance with the Terrorism Risk Insurance Act of 2002, we are required to offer you coverage for losses resulting from an act of terrorism that is certified under the federal program as an act of terrorism committed by an individual(s) acting on behalf of a foreign person or foreign interest. The policy's other provisions will still apply to such an act. Your decision is needed on this question: do you choose to pay the premium for terrorism coverage stated in this offer of coverage, or do you reject the offer of coverage and not pay the premium? You may accept or reject this offer.

If your policy provides commercial property coverage, in certain states, statutes or regulations may require coverage for fire following an act of terrorism. In those states, if "terrorism" results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the limit of insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements that apply to those coverage forms, or to Legal Liability coverage forms or Leasehold Interest coverage forms.

Your premium will include the additional premium for terrorism as stated in the section of this Notice titled DISCLOSURE OF PREMIUM.

DISCLOSURE OF FEDERAL PARTICIPATION IN PAYMENT OF TERRORISM LOSSES

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 90% of that portion of the amount of such insured losses that exceeds the applicable insurer retention.

DISCLOSURE OF PREMIUM

Your premium for terrorism coverage is: \$22,500 For General Liability
(This charge/amount is applied to obtain the final premium.)

You may choose to reject the offer by signing the statement below and returning it to us. Your policy will be changed to exclude the described coverage. If you choose to accept this offer, this form does not have to be returned.

REJECTION STATEMENT

I hereby decline to purchase coverage for certified acts of terrorism. I understand that an exclusion of certain terrorism losses will be made part of this policy.

Policyholder/Legal Representative/Applicant's Signature

Tishman Construction Corporation of New York
Named Insured

Print Name of Policyholder/Legal Representative/Applicant

Arch Insurance Co.
Insurance Company

Date: _____

Policy Number: 11GPP2056800

00 ML0027 00 01 05

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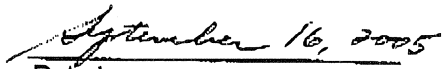
Authorization to Bind Coverage

Please sign and acknowledge your agreement to the aforementioned terms and conditions.
Return a copy to my attention at your earliest convenience.

Acknowledged:



Carrier Signature



Dated

Broker Signature

Dated